

DEPARTMENT OF TRANSPORTATION  
U. S. COAST GUARD  
STATEMENT OF  
ADMIRAL ROBERT E. KRAHEK  
ON THE COAST GUARD'S FISCAL YEAR 1999 BUDGET REQUEST  
BEFORE THE  
SUBCOMMITTEE ON OCEANS AND FISHERIES  
COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION  
UNITED STATES SENATE

Good afternoon, Madam Chairman. It is a pleasure to appear before this distinguished subcommittee today to discuss the Coast Guard's fiscal year 1999 budget request and its impact on the service, the nation and those we serve.

During the past four years, the dedicated men and women of the Coast Guard have continued to do what they have done for the past 208 years. Through their outstanding efforts we have:

Saved more than 19,500 lives and nearly \$9.3 billion in property.

Prevented more than 370,000 pounds of cocaine, marijuana, and other illegal drugs from reaching America's streets and school yards.

- Responded to more than 64,000 reports of water pollution or hazardous material releases.
- Boarded more than 59,000 fishing vessels to check for compliance with safety and preservation laws.
- Interdicted or assisted more than 75,000 migrant aliens attempting to illegally enter the United States.

The Coast Guard has also accepted the challenge to operate and manage more effectively. The result is a lean Coast Guard which stands proudly as a model of better government at less cost.

### **Operating the Coast Guard**

To provide our unique services to the public, in fiscal year 1999 the Coast Guard requests \$2,772 million in Operating Expenses (OE) and \$67 million in Reserve Training Funds. Included in this

request are the necessary funds to restore the Coast Guard work force, currently under strength, and funds to provide adequate quality of life for Coast Guard personnel and their families. To continue delivering current services at the requested level, I have had to identify nearly \$58 million in internal savings. The Reserve Training Request funds a Selected Reserve strength of 7,600 personnel that are part of Team Coast Guard and are integral to all of our operations. I request your full support for both the Operating Expenses and Reserve Training requests, as any reductions will directly impact the Coast Guard's ability to complete the many missions that the American people have come to depend on. Our fiscal year 1999 Operating Expense request reflects the Coast Guard's priorities across four strategic goals – safety, protection of vital marine resources, maritime security, national defense and maritime mobility.

### ***Safety***

We are known as lifesavers and guardians of the sea. Search and Rescue is, and always will be, our first priority. The Coast Guard's goal is to reduce deaths, injuries, and property damage associated with maritime transportation, fishing, and recreational boating. Through our marine safety program, we also prevent maritime accidents while remaining ready to react whenever disaster strikes. Each year, we respond to approximately 50,000 search and rescue calls - from recreational boaters in distress to freighters sinking in gale-force winds. The Coast Guard saves approximately 5,000 lives and approximately \$2.5 billion dollars in property during search and rescue missions every year. In terms of the value of lives and property saved alone, we provide the American public with a benefit of approximately four times the cost of all Coast Guard services combined.

### ***Protection of Marine Resources***

We strive to eliminate environmental damage and natural resource degradation on the high seas, within the 200-mile Exclusive Economic Zone, and in our territorial seas. We protect the nation's immensely valuable fisheries resources from the dangers of overfishing and foreign poaching. Every day, the Coast Guard patrols the fishing grounds off New England, Alaska, the Gulf Coast and throughout our EEZ . Preservation of these resources is and will remain a Coast Guard priority. Our FY-99 budget includes \$488M for protection of Living Marine resources. This is my largest Law Enforcement mission.

We are also pioneers in the fight against pollution of our nations waters. Since 1990, the average amount of oil spilled in the United States has dropped from 6.25 million gallons to 1.5 million gallons annually. However, we are not resting on our laurels. We are working with industry and maritime safety organizations in the U.S. and around the world to prevent environmental damage of all types. Our Prevention Through People program recognizes we can not simply focus on corporations and their leaders, we must also focus on the individual mariner - the human element. With this as our operating premise, we have been very aggressive in fostering increased prevention and response capabilities; conducting more enforcement; completing spill response contingency plans; and recovering costs from responsible parties. Our fiscal year 1999 budget request supports our goal of reducing environmental damage to U.S. waterways through these aggressive prevention, enforcement, and response programs.

### ***Maritime Security***

The Coast Guard shields our nation by halting the flow of illegal drugs and aliens through maritime routes, as well as enforcing all Federal laws and regulations at sea. Our boarding teams interdict overcrowded boats carrying illegal immigrants into the United States, foil sophisticated attempts to smuggle drugs into our waters, enforce complex international fisheries agreements and domestic fisheries regulations, as well as enforce safety regulations on commercial and recreational vessels. In 1997, the Coast Guard seized a record 103,000 pounds of cocaine and more than 102,000 pounds of marijuana and other illegal drugs being smuggled into the United States. Arrests of cocaine traffickers were up 1,000 percent, while cocaine seizures were triple the previous year. To strengthen our Caribbean neighbors' abilities to stop these problems before reaching our shores, the fiscal year 1999 budget request includes \$2.7 million to operate a Coast Guard cutter as a training and support ship for the President's Caribbean Initiative. This cutter will heighten our partnering efforts with our Caribbean neighbors and train their coast guards in interdicting drugs and protecting their economic zones. We have finalized bilateral maritime agreements with eighteen nations in the Caribbean to enhance our ability to counter the drug threat and support U.S. security goals in this region.

### ***National Defense***

As one of the five Armed Forces, the Coast Guard enhances regional stability in support of the National Security Strategy, using our unique maritime capabilities. We perform a range of defense duties for the Department of Defense, such as port security, search and rescue, salvage, surveillance and interdiction, and embargo enforcement. A Coast Guard cutter is currently patrolling the Persian Gulf, conducting maritime interception operations in support of the embargo against Iraq, and one of our Port Security Units stands ready for possible deployment in support of Operation DESERT THUNDER. The Coast Guard also works with foreign naval and maritime forces through training and joint operations, which improve international cooperation and support U.S. national security goals.

### ***Mobility***

Nearly 95 percent of all U.S. trade involves maritime transportation. Developing a safe and efficient maritime transportation infrastructure is essential to the nation's economy and is key to our ability to compete successfully in the expanding global economy. The Coast Guard facilitates maritime commerce and eliminates impediments to the movement of goods and people. Like crowded highways, crowded waterways demand careful policing to ensure safe, equal access for all mariners. Coast Guard waterways management services promote the safe and efficient movement of commercial vessels in congested harbors. Our fleet of buoy tenders maintain some 50,000 Federal aids to navigation. We are also completing full implementation of the Differential Global Positioning System to provide mariners with the most accurate navigation information available. Our icebreakers keep shipping lanes open for commercial traffic in winter as well as conduct national interest missions in the Arctic and Antarctic. Our vessel traffic services help ensure safe and expeditious movement of vessels within the transportation network.

Our strategic goals, and this budget request, support the Department of Transportation's strategic goals of safety, protection of the human and natural environment, mobility, economic growth and trade, and national security, as well as the President's national security goals.

### **Investing in the Future**

The Coast Guard today is not only concerned about maintaining our current level of services, but meeting America's future needs. Our fiscal year 1999 Acquisition, Construction and

Improvements (AC&I) request is structured to provide for the future. The “Deepwater” project is the cornerstone of the Coast Guard’s future recapitalization efforts. This project represents the systematic replacement of aging Coast Guard cutters and aircraft and related command and control systems. This new system is essential to the Coast Guard and our nation .

It is also important that we continue and complete current recapitalization projects such as the Seagoing and Coastal Buoy Tenders, the Coastal Patrol Boats, Motor Lifeboats and Buoy Boats; continue safety and efficiency improvements on our aircraft; and invest in information and decision support systems that will result in future efficiencies. Full funding of our fiscal year 1999 request will allow us to do just that.

To offset some of the Coast Guard’s capital investment, user fees are proposed to recover a portion of the Coast Guard’s costs for navigational services. We are working hard to develop this proposal. To maintain current services and provide for recapitalization of aging assets, I need the full program level of our fiscal year 1999 AC&I request.

### **Today’s Coast Guard ... Streamlined, Efficient**

Our efforts to streamline the Coast Guard during the past four years have been tough but successful. We have reduced our work force by nearly 4,000, we have reduced overhead, administrative, and support costs, and have placed resources in the right place at the right time. Today, the Coast Guard is more active and affects more American lives on a daily basis than at any time in its 208 year history.

I can say with confidence that our Service is on course and more responsive than ever to both enduring and emerging national priorities. It is only because of our most valuable resource -- our people -- that we have been able to undertake such significant change while continuing to deliver the highest level of quality and excellence in services to the public. I need your support for our fiscal year 1999 request to restore the funding to our personnel account in order to recruit, retain, and pay the skilled workforce necessary to perform the Coast Guard’s missions.

### **Conclusion**

Madam Chairman, the President's fiscal year 1999 budget request for the Coast Guard allows the Coast Guard to carry out its missions. I believe this request is responsive to the challenges we face, yet recognizes the fiscal challenges we face as a nation. Your strong support of this request is critical to ensuring the Coast Guard remains *Semper Paratus - Always Ready*.

In closing, Madam Chairman, I would like to thank you and the other Members of this distinguished subcommittee for your support and guidance. I ask you for your continued support as you work to ensure passage of the *Coast Guard Authorization Act for Fiscal Years 1998 and 1999*. With your leadership, I am confident the Coast Guard Authorization Act will be enacted into law this session of Congress.